

Column - Tim Graves: Talk to us about eldercare money squeeze

Panhandle faces cuts in Medicare

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AUSTIN - With Gov. Rick Perry and former Houston Mayor Bill White now squaring off in the gubernatorial contest, we are hopeful both candidates will engage in a substantive discussion surrounding the growing squeeze on Panhandle-area seniors' benefits financed by Medicaid and Medicare. Especially as the federal health care reform wildcard raises both the stakes and the uncertainties, and with a variety of Austin lawmakers already stipulating the need to cut the state budget, spending priorities will, by necessity, take center stage.

From the perspective of protecting the care of Amarillo's most vulnerable frail, elderly and disabled citizens, we are already alarmed by the developing contours of this debate. The bottom line is we believe that before engaging in definitive discussions in Austin about cutting Texas seniors' key Medicaid programs, we must look first at the fact nursing home residents, in rural areas especially, are already confronting a distressing cumulative funding squeeze that severely undercuts their ongoing ability to recruit and retain high quality direct care staff. Therefore, in addition to preserving quality care, the issue of preserving and creating good local jobs is encompassed in this discussion.

In evaluating the structural eldercare funding picture, the negative impact of \$725 million, 10-year cut to Texas seniors' Medicare-funded nursing home care - which went into effect in October, 2009 - is contributing to the overall predicament. Further, Medicaid rates paid to Texas providers in 2010 are approximately \$200 million short of meeting the state's own conservative estimate of necessary funding.

To be fair, it must be noted this worsening state Medicaid funding problem has transpired for more than a decade. Regardless, with a full eighty to eighty-five percent of nursing home residents dependent upon federal and state programs that have already been cut in Washington - or now being examined for cuts in Austin - this double whammy threat is a truly ominous development.

On a health policy level, as the nature of Texas' nursing home patient population continues to evolve, policymakers should, in fact, support efforts to facilitate nursing homes' ability to care for higher-acuity, post-acute Medicare beneficiaries. Adequate funding helps accomplish this desirable objective. Nursing homes throughout rural Texas have invested heavily in recent years to increase capabilities to admit, treat and return to home a growing number of patients requiring intensive rehabilitative care. This is a clear benefit to both seniors as well as taxpayers. In addition to cutting jobs, the worsening Medicare and Medicaid cost-squeeze inhibits facilities' continued investment in cost effective care. This is diametrically contrary to our state and national health policy goals - regardless of which party controls the levers of power.

The challenging budget conditions we face in this 2010-11 biennium, and the budgetary decisions that ultimately transpire, will have real, substantial and lasting impact on thousands of the Amarillo area's most vulnerable citizens - many of whom completely depend upon skilled nursing care. It is essential for voters to know and understand that the Medicaid cuts now under consideration in the state capitol could precipitate the loss of far more in federal funding than it will save in state general revenue dollars.

Successfully meeting vulnerable seniors' long term care needs - as well as sustaining a strong work force and local jobs base - will be predicated upon robust and adequate Medicaid funding levels from Austin, particularly in the face of ongoing cuts to Medicare funding in Washington.

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